



## CAL-VET BASIC HOME LOAN PACKAGE

This package contains forms and instructions for obtaining a Cal-Vet loan to purchase a home. If you are planning on purchasing an existing home, you will need these forms, plus you will need to download the [Cal-Vet Loan Application Forms Package](#) and the [Cal-Vet Loan Life and Disability Coverage Package](#). If you are planning to build a new home, you will also need to download the [Construction Loan Supplemental Package](#) of forms and instructions. This supplemental package also contains instructions on which forms from which package you will need.

### Before you begin:

Choose the home you wish to purchase. Carefully read the material on the Cal-Vet Home Loan Program on our web site. If you have questions, feel free to send us e-mail at [loanserv@cdva.ca.gov](mailto:loanserv@cdva.ca.gov) or contact the nearest Cal-Vet District Office. A list of Cal-Vet District Offices and the areas they cover is available on CDVA's WWW site at [www.cdva.ca.gov/calvet/offices.htm](http://www.cdva.ca.gov/calvet/offices.htm).

Optional, but highly recommended: Download and fill out our Prequalification Form, a FREE service of Cal-Vet. This information will allow us to estimate whether you meet the eligibility qualifications for a loan. Send the completed form to the Cal-Vet District Office for the area where you plan to buy your home.

Please read all of the forms and instructions before submitting your application.

Contents of this package (starred documents must submitted with your Cal-Vet Home Loan application) :

- Form C-13: Thank You for Choosing Cal-Vet

This pamphlet summarizes the features of the Cal-Vet Home Loan Program.

- Loan Terms

This document contains the current loan terms, fees and rate.

# CAL-VET BASIC HOME LOAN PACKAGE

## Contents of this package (continued):

- **Form A-1T: Cal-Vet Home Loan Application Instruction Sheet**

These instructions explain how to submit the application forms in this package, and what other information you will need to send to Cal-Vet.

- **Form A-2: Cal-Vet Home Loan Processing Cycle**

This chart explains how Cal-Vet processes a home loan application. You should read and understand this chart before applying for a Cal-Vet Home Loan.

- **Form C-4: Important Notice**

This document provides information about recent changes in the Cal-Vet Home Loan program concerning Loan Guaranties and Loan Processing.

- **Form L-10: Cal-Vet Home Loan Funding Sources on front, Safe Harbor Limitations on back**

State and federal law place restrictions on the use of tax exempt bonds. This form explains how these restrictions affect Cal-Vet's ability to make home loans to veterans. This form should be read before you apply for a Cal-Vet Home Loan.

- **Form L-8: Special Notice Regarding your Cal-Vet Home Loan Application**

This notice explains Internal Revenue Service limitations placed on funds used for Cal-Vet loans for refinancing a home loan. It also contains the notice required by the California Information Practices Act of 1977 concerning how Cal-Vet may use the information that you supply to us. This notice should be read before you apply for a Cal-Vet Home Loan.

- **Address List**

This document contains a list of Cal-Vet offices throughout the state, along address and phone numbers.

# CAL-VET BASIC HOME LOAN PACKAGE

## Contents of this package (continued):

- **Form C-14: Cal-Vet Loan Origination Fee/Funding Fee**

This form allows the applicant to notify Cal-Vet concerning their choices for payment of the Loan Origination Fee and CDVA/USDVA Funding Fee.

- **Form V-11: Verification of Borrower(s) Name(s)**

This form is used to verify the exact legal name(s) of the loan applicant or applicants.

- **Form C-11-3: Borrower's Authorization**

This form is used to authorize Cal-Vet to verify the financial information provided by the borrower.

- **Form L-9: Fair Lending Notice**

This notice explains your rights under the Housing Financial Discrimination Act of 1977. You will be asked to sign this form to show that you have read and understood it and return it with your loan application.

- **Buyer's Information**

Basic information about yourself, your loan and the property you are purchasing.

- **Form A-3: Designation of Agent and General Release**

You may designate another person to act as your agent in connection with the processing of your Cal-Vet Home Loan application. The use of this form is completely optional.

- **Form AP-2: Purchaser's Affidavit**

This form contains information that you must provide Cal-Vet as the purchaser of a home. (Includes separate instructions page)

- **Form AP-3: Seller's Affidavit**

This form contains information that you must provide Cal-Vet from the person(s) selling a home to you. (Includes separate instructions page)



## THANK YOU FOR CHOOSING CAL-VET THE VETERANS' LOAN OF CHOICE!

You will be pleased with your selection of Cal-Vet financing for the purchase of your home. You will find that Cal-Vet has many features and benefits that will save you money and provide protections for you and your investment. The Cal-Vet district offices, listed on the reverse side of this letter, are ready to assist you in the processing of your loan. The application package has information on the left side of the folder, and on the right side are forms that you need to submit to start the processing. If you have a real estate agent, we encourage you to have them be active in the processing of your loan. A form is enclosed to designate them to act on your behalf, however this is optional. The loan may also be processed through a mortgage broker. If you have any questions, please discuss them with your real estate agent or call us at the district office.

### The Cal-Vet Loan

Cal-Vet is an authorized V.A. lender and can provide a VA guaranteed loan to eligible veterans. Cal-Vet currently obtains VA Guarantees on loans on existing homes with a maximum loan amount of \$240,000.00. You must be eligible for the full VA loan guaranty entitlement. For applicants or properties that are not eligible for VA loans, the Department obtains private mortgage protection at a cost equivalent to the VA loan guaranty funding fee. All loans are retained for servicing by Cal-Vet. Other features of your Cal-Vet loan includes the following:

- ☞ **A competitive, below market interest rate.**
- ☞ Maximum loans up to **\$322,700** for houses, condominiums and manufactured homes on land, and up to **\$70,000** for manufactured homes in rental parks.
- ☞ **A 1%** loan origination (collected in escrow)
- ☞ **A one-time** loan guarantee fee for all loans with down payments of less than 20%. This is a one-time fee which may be paid by the seller or buyer, and if the loan is a VA guaranteed loan, may be financed with the loan.
- ☞ A minimum down payment of **2%** for VA guaranteed loans, and **3%** for loans using the private mortgage protection program. The loan term is 30 years with shorter terms available upon request.
- ☞ All Cal-Vet properties are covered by the Department's Disaster Indemnity program which provides **low cost** protection against loss due to floods and earthquakes.
- ☞ All applicants under age 62 are required to apply for mandatory life insurance which provides 1 to 5 years (as determined by the insurance carrier) of principal and interest installments in the event of the death of the insured. Supplemental life insurance, disability coverage, and spousal life insurance are available if desired.

## **Eligibility**

Recent changes in the Military & Veterans Code have made most veterans eligible under state law, including those whose entire active service was during peacetime. Federal law places restrictions on the bond funds used to make Cal-Vet loans. This means that funding may not be available for all veterans who meet the Cal-Vet eligibility criteria. Please review the information sheet *Cal-Vet Funding Sources* (L-10).

Applicants who were released or discharged from active duty under honorable conditions are eligible, as are applicants currently serving on active duty. (Active duty solely for training does not qualify). Applicants must have served at least 90 days on active duty, unless:

- discharged sooner due to service-connected disability, **or**
- eligible to receive a U.S. campaign or expeditionary medal, **or**
- called to active duty from the Reserve or National Guard due to Presidential Order.

If your loan will be guaranteed by VA you will be required to submit your VA Certificate of Eligibility (Form 26-8320). If you do not have the Certificate, there is a form in this package for you to request it.

For purposes of qualifying for funding with General Obligation bonds or Unrestricted funds, active service during a “war period” is defined as serving at least one day of your active service during one of the following “war periods,” or receipt of a campaign or expeditionary medal authorized by the government of the United States:

Persian Gulf War:	August 2, 1990 through a date yet to be determined.
Vietnam Era:	August 5, 1964 through May 7, 1975.
Korean Period:	June 27, 1950 through January 31, 1955.
World War II:	December 7, 1941 through December 31, 1946.

Peacetime veterans must qualify for funding with Revenue Bond funds (see L-10)

For all eligibility questions, please call your local district sales office:

<b>Bakersfield:</b>	661.833.4720	<b>Fairfield:</b>	707.436.2240
<b>Fresno:</b>	559.445.5466	<b>Redding:</b>	530.224.4955
<b>Riverside:</b>	909.774.0102	<b>Sacramento:</b>	916.503.8359
<b>Santa Clara:</b>	408.277.1282	<b>San Diego:</b>	619.641.5840
<b>West Covina</b>	800.700.2127	<b>Ventura:</b>	805.654.6901

You may also reach the California Department of Veterans Affairs at:

**Toll Free Information Number:** 800.952.5626

**Internet Web Site:** <http://www.cdva.ca.gov>



## Current Loan Terms, Fees, & Rates (Effective 6/16/2003)

Loan Program ►	Cal-Vet / VA	Cal-Vet 97	Cal-Vet 80/20
Maximum Loan	\$240,000 (including funding fee)	\$322,700	\$322,700
Property / Program Type	New & Existing Homes (including VA approved Condominiums & PUDs)	New or Existing Homes (including VA approved Condominiums & PUDs) Construction Loans Rehabilitation Loans Mobile Homes on Land Mobile Homes in Parks <sup>2</sup>	New or Existing Homes (including VA approved Condominiums & PUDs) Construction Loans Rehabilitation Loans Mobile Homes on Land Mobile Homes in Parks <sup>2</sup>
Down payment	2%	3%	20%
Funding Fee	1.25% - 3% <sup>1</sup> ( <u>may</u> be financed)	1.25 – 2% ( <u>must be paid in</u> escrow) <sup>3</sup>	None
Loan Origination Fee	1%	1%	1%
Other Requirements	VA Certificate of Eligibility for full entitlement		

<sup>1</sup> The funding fee for VA loans is waived for veterans with disability ratings of 10% or higher.

<sup>2</sup> Mobile Homes in Parks must be funded with General Obligation Bonds. The maximum loan is \$70,000 and the interest rate is 1% higher (5.25%)

<sup>3</sup> The funding fee may be financed if the down payment is 5% or greater.

## Funding Source Restrictions

Current Rate	Bond Funds Source	Subject to Income & Purchase Price Limits & Federal Recapture	Wartime Service Required	Loan Programs available for
<b>4.50%</b>	<b>Qualified Mortgage Bonds (Revenue Bonds)</b>	Yes (see CDVA FORM L-10)	No	CalVet / VA CalVet 97 CalVet 80/20
<b>4.25%</b>	<b>Qualified Veterans Mortgage Bonds (General Obligation Bonds)<sup>2</sup></b>	<b>No</b>	Yes	
<b>4.50%</b>	<b>Unrestricted Funds<sup>4</sup></b>	<b>No</b>	Yes	

**Interest rates and loan terms are subject to change. Contact your local CalVet District Office, check our website at [www.cdva.ca.gov](http://www.cdva.ca.gov), or call 800-952-5626.**

<sup>4</sup> Subject to availability of funds.

Loan Terms (6/16/2003)

# CALIFORNIA DEPARTMENT OF VETERANS AFFAIRS

## Farm and Home Purchases Division

### CAL-VET LOAN APPLICATION INSTRUCTION SHEET

Thank you for your interest in the Cal-Vet Loan Program. These instructions will assist you in completing your application. Staff in the local district office will be pleased to assist you further. Please feel free to contact us if you have questions. Please note that whenever original documents are requested we will make certified copies and return your originals.

Check when submitted:

#### 1. Fees

- a) **Submit your non-refundable \$50 APPLICATION FEE** in the form of a guaranteed or personal check made payable to the "Department of Veterans Affairs." ☐
- b) **Appraisal Fee** For existing properties including PUDs, \$350; for condominiums, \$375; for new houses, never occupied and less than 1-year-old, \$400. Please be prepared to pay appraiser directly with certified funds when contacted. If your loan will be VA Guaranteed, we will advise you when to remit a personal check or guaranteed payment for the appropriate fee to Cal-Vet.
- c) **A Loan Origination Fee of 1% of the basic loan, and a funding fee based on your down payment amount will be charged and collected at close of escrow. (See enclosed "Feenote" form)**

- 2. **Submit your completed UNIFORM RESIDENTIAL LOAN APPLICATION (Form 1003).** Note: PLEASE TYPE OR COMPLETE IN INK. Answer all questions completely. Mark questions that are not applicable "N/A." IF YOU ARE MARRIED, YOUR SPOUSE MUST ALSO SIGN THE LOAN APPLICATION. ☐

- 3. **Submit verification of all income sources listed on your application.** ☐

- a) Submit your most recent pay stub(s) covering at least one full month (**originals**), plus your W-2s for the past two years, **OR**, if self employed, submit current year-to-date financial statements including a profit and loss statement and balance sheet, and copies of your federal income tax returns (1040 and Schedule C) for the past two years.
- b) Submit verification of other types of income; for example: a *current* copy of your Award Letter for retirement, VA compensation or Social Security, or *current* verification of alimony, child support, interest, or dividends.

- 4. **Submit original statements for the past two consecutive months** for all accounts holding funds for the down payment or closing costs. ☐

- 5. **Submit a legible copy of your NOTICE OF SEPARATION FROM ARMED FORCES (form "DD214").** If this form does not verify your Cal-Vet eligibility, we will request additional military documentation. Original documents will be returned to you after copies have been made. If you are still on active duty and have never received a "DD214," submit a Statement of Service signed by your commanding officer. ☐

- 6. **If you are applying for a VA Guaranteed loan with Cal-Vet submit your original VA Certificate of Eligibility (Form 26-8320).** If you do not have a Certificate of Eligibility issued by the United States Department of Veterans Affairs please complete the REQUEST FOR DETERMINATION OF ELIGIBILITY (VA Form 26-1880) included in this application package and submit it with your application. Note: Some veterans are not eligible for both Cal-Vet Loans and VA Loan Guaranties. In order to obtain a Cal-Vet Loan you must meet California veteran eligibility requirements. If you are eligible for Cal-Vet and not for a VA Loan Guaranty, Cal-Vet can still fund your loan. ☐

#### 7. Property Requirements

- a) **Submit copies of the signed ESCROW INSTRUCTIONS AND SALES AGREEMENT, AND ALL AMENDMENTS, together with the REAL ESTATE TRANSFER DISCLOSURE STATEMENT** covering the proposed transaction, executed by all parties. Include any addendums or counter offers. ☐
- b) **Submit two legible copies of a PRELIMINARY REPORT OF TITLE** *not more than three months old*, with a plat map covering the property.

- 8. **DESIGNATION OF AGENT AND GENERAL RELEASE (Form A-3).** This form is OPTIONAL. Submit it when you wish to have an agent act on your behalf and receive all loan correspondence during the processing of your loan. ☐

- 9. **Sign and return one copy of the FAIR LENDING NOTICE and WORD OF CAUTION (Form L-9), the BORROWER'S AUTHORIZATION and VERIFICATION OF BORROWER'S NAME Forms.** ☐

- 10. Read the enclosed brochure on the Life & Disability Insurance Program. All veteran applicants under the age of 62 **must complete the Application for Life & Disability Insurance.** Your spouse may apply for optional life insurance by requesting and completing the **Application for Spouse Life Insurance.** ☐

(Instructions continue on reverse side)

**THE FOLLOWING ITEMS MAY BE REQUESTED AFTER LOAN APPROVAL:**

11. **TERMITE REPORT.** If the dwelling you are purchasing is more than *one year old or has ever been occupied*, the department will require a termite report and clearance. The report must not be over *four months old*.
12. **ROOF INSPECTION REPORT.** If the roof on the dwelling you are purchasing is more than *five years old*, a roof inspection completed by a licensed roofer, may be required.
13. **WELL/SEPTIC SYSTEM.** If the dwelling you are purchasing has private water and/or sewage disposal, you may be required to obtain an inspection verifying the adequacy of the systems.
14. **PERMITS/BUILDING CODE COMPLIANCE INSPECTION.** If the dwelling you are purchasing has had additions or substantial remodeling, the department may require copies of building permits or, in some cases, a code compliance inspection and clearance.
15. **SECONDARY FINANCING DOCUMENTS.** If the maximum Cal-Vet loan is not adequate to purchase the property submitted, we may permit secondary financing to assist in the purchase of the property. The combined Cal-Vet loan and secondary financing must not exceed 98% of the appraised value of the property (as determined by the department). If secondary financing is used, you will be required to submit the original signed Deed of Trust, a certified copy of the signed Note, and Cal-Vet's Subordination Agreement, signed by the secondary lender.

NOTE: Cal-Vet will participate with most Community Housing down payment assistance programs. The 98% financing limit noted above is waived when these programs are used.

16. **CONDOMINIUM/PLANNED UNIT DEVELOPMENT.** If you are purchasing this type of property and the Homeowners' Association of the condominium or planned unit development has not been previously approved by Cal-Vet, you will be required to submit documents governing the development.
17. **MOBILE HOME ON YOUR LAND.** If you are purchasing this type of property, you may be required to place the mobile home on a permanent foundation and furnish a copy of the recorded HCD Form 433 as evidence that this requirement has been completed. You must also obtain your own fire insurance coverage. You will be advised of the required amount of coverage after completion of the appraisal.
18. **MOBILE HOME IN A RENTAL PARK.** ***Maximum Loan Amount is \$70,000.00. The interest rate will be 1% above the current Cal-Vet rate.*** If you are purchasing this type of property, you will also be asked to:
  - a) Submit, in writing, the name of the rental park, and the name and phone number of park manager.
  - b) Submit a copy of the proposed rental agreement, space number/address, amount of monthly space rental, and map of the park.
  - c) Advise whether the mobile home is used and whether the mobile home is already in place on the space. If the mobile home is new, advise when mobile home will be installed on the space.
  - d) Submit a copy of the Sales Agreement (if a used mobile home), or a copy of the Purchase Order (if new).
  - e) If a used mobile home, submit a Formal Title Search from the Department of Housing and Community Development (HCD).
  - f) When the appraisal has been completed, submit a Certificate of Coverage verifying that the mobile home will be insured for the required amount. Also submit verification that a Loss Payable Endorsement, which names the Department of Veterans Affairs as the insured, will be provided in escrow when the loan is funded.
  - g) If the mobile home you wish to purchase is more than *ten years old* or has structural modifications, you may be required to obtain a mobile home health and safety inspection from HCD (request HCD form 415).
  - h) Provide the name, address, and escrow number of the company handling your escrow. If the escrow company you have chosen is not approved to handle Cal-Vet transactions, your local Cal-Vet district office will advise you.

**APPEALS**

Persons who disagree or are dissatisfied with actions taken or decisions made regarding their application may appeal to the Division Chief, Farm and Home Purchases Division, P. O. Box 942895, Sacramento, 94295-0001. If the problem is not resolved satisfactorily at that level, it may qualify for an appeal to the California Veterans Board. Further information regarding the appeal procedure is available upon request. Allegations of wrongdoing concerning state-supported veterans benefits programs should be reported to the Inspector General for Veterans Affairs at (877) 533-8772 (toll free).





### **Loan Processing Cycle**

- Step 1      Loan application (URLA Form 1003) is received in Cal-Vet office and is reviewed for completeness. (See Loan Application Instruction Sheet for required documents)
  
- Step 2      After an initial review of your eligibility, credit, and income a letter will be sent to you confirming receipt of your application. You will be advised at that time of any additional items or documentation needed, and the appraisal of your property selection will be ordered.
  
- Step 3      Upon receipt of the appraisal it will be reviewed and a loan approval letter will be sent to you or your mortgage broker. This document will list any requirements that must be completed before your loan can be funded. In some cases requirements must be submitted before loan documents can be issued to your escrow holder. Whenever possible, requirements will be collected through the escrow.
  
- Step 4      Your loan package will be forwarded to the Department's Escrow Unit where loan documents and instructions will be forwarded to your local escrow holder. You will be contacted by your escrow holder to sign the Cal-Vet Contract and complete any final purchase requirements.
  
- Step 5      The escrow holder will return the completed loan documents to Cal-Vet and funds will be issued to close the loan.
  
- Step 6      Your first Cal-Vet Loan payment will be due on the first of the month occurring 30 days after closing (for example, if you loan closes on May 15, your first payment would be due on July 1).



### **IMPORTANT NOTICE**

**Loan Guaranty:** In order to protect the program from losses should any loan go into default, and to insure that the Cal-Vet loan continues to offer the best possible value to the veterans of our state, the California Department of Veterans Affairs obtains mortgage protection coverage on all loans when the down payment is less than 20% of the purchase price. When the applicant and property are eligible and have their full entitlement remaining, the loan guaranty provided by the United States Department of Veterans Affairs (USDVA) is obtained. In all other cases the Department obtains private mortgage protection. Adding this protection to the Cal-Vet Loan made it possible for us to reduce the cost of the funds that we use, and thereby reduce the interest rate that we charge.

The cost of the guaranty, 1¼ to 3% of the amount of the loan, may be paid by the seller or the veteran applicant at close of escrow, or in the case of the VA loan guaranty, may be financed as part of the loan.

**Interest Rate:** It is important for applicants to realize that the Cal-Vet loan is not technically a fixed interest rate loan. You will be advised of the rate on your loan shortly after your application is received. The Cal-Vet contract you sign will indicate that the rate may be increased during the loan term by a maximum of one-half of one percent (0.5%). This feature of the loan has been retained in order to enhance the rating received on the bonds sold to fund Cal-Vet loans and thereby make lower interest rates possible. Please inquire further if you are not clear on this important point.

## CAL-VET LOAN FUNDING SOURCES

Cal-Vet loans are funded through the sales of tax-exempt bonds. From the program's beginning in 1921 until 1980, only general obligation bonds were sold to support the program. General obligation bonds are backed by the full faith and credit of the State of California and must be authorized by a vote of the people at a general, statewide election. All general obligation bonds sold to support the Cal-Vet loan program are repaid by Cal-Vet loan holders through the payment of principal and interest on their loans.

Even though the Cal-Vet program has been totally self-supporting and no taxpayer funds have been used to repay its bonds, there are state and federal limitations on the amounts of general obligation bonds which may be sold for the program. Because demand for Cal-Vet loans was exceeding the ability to fund with general obligation bonds, legislation was passed which enabled Cal-Vet to sell revenue bonds to supplement general obligation bonds. The first Cal-Vet revenue bonds were sold in 1980. These bonds are also repaid by Cal-Vet loan holders.

Federal laws and regulations resulting from the Mortgage Subsidy Bond Tax Act of 1980, the Deficit Reduction Act of 1984, the Tax Reform Act of 1986, and subsequent amendments, have affected the ways in which all Cal-Vet bond funds may be used. The following paragraphs explain how general obligation bond funds and revenue bond funds may be used to make Cal-Vet loans.

### **QUALIFIED VETERANS MORTGAGE BOND PROGRAM (GENERAL OBLIGATION BONDS)**

► **VETERANS with wartime service**

Under federal law, general obligation veterans bonds may be used to fund loans only to veterans who served on active duty prior to January 1, 1977, and who apply within thirty years from their release from active duty. Under state law, set forth in the California Military and Veterans Code, the veteran must have served during a qualifying war period or received an armed forces expeditionary medal or campaign medal awarded by the federal government for the period served. Although unremarried spouses of veterans may qualify for Cal-Vet loans under state laws, federal laws prohibit them from being funded with general obligation bond proceeds.

General obligation bond funds may be used to purchase homes (which include condominiums and planned unit developments), farms, mobile homes on land owned by the applicant and mobile homes in mobile home parks. There are no purchase price restrictions on the properties which can be purchased with general obligation bond funds, nor are there income limitations on the veteran borrower.

### **QUALIFIED MORTGAGE BOND PROGRAM (REVENUE BONDS)**

► **All veterans subject to income and purchase price limits**

If an applicant is an eligible veteran or unremarried spouse of a veteran under provisions of the California Military and Veterans Code, he or she may qualify to receive a loan from revenue bond funds if qualified under one of the following two categories:

1. "First-time home buyer." A first-time home buyer is defined by the federal government as one who has not owned an interest of record in his/her principal place of residence during the three years prior to closing escrow on the revenue bond funded loan. Both the applicant and spouse, if applicable, must qualify as first-time homebuyers.
2. "Targeted area" purchaser. A targeted area is defined by the federal government as an area of low income or chronic economic distress. Each Cal-Vet district office maintains a list and/or map of targeted areas within its service area.

Properties purchased with revenue bond funds must qualify under purchase price limitations established under guidelines provided by the Internal Revenue Service. The purchase price for non-target areas cannot exceed 90% of the average area purchase price for the statistical area or county in which the property is located. If an applicant is purchasing in a targeted area, the purchase price cannot exceed 120% of the average area purchase price for the statistical area or county in which the property is located. The applicant must also qualify under income limitations which are issued annually by the U. S. Department of Housing and Urban Development. **PURCHASE PRICE AND INCOME LIMITS FOR TARGET AND NON-TARGET AREAS ARE ON THE BACK OF THIS PAGE.**

Revenue bond loans are available only on single-family residences and mobile homes on land owned by the applicant. Single-family residences includes individual units in condominium and planned unit developments.

Purchasers whose loans are funded with revenue bonds may be liable for a federally imposed Recapture Tax if the property being purchased is disposed of (sold) within the first full 9 years following the funding date. This tax is intended to repay the federal government for the benefit of using tax-exempt bonds. There is no Recapture Tax due if the disposition of the property is by reason of the death of the veteran.

The foregoing provisions governing the uses of revenue bonds are all dictated by federal laws contained in the Internal Revenue Code.

### **UNRESTRICTED (PRE-ULLMAN) BOND PROGRAM**

► **Veterans with wartime service**

Cal-Vet has a limited amount of funds available for veterans who do not qualify for either General Obligation or Revenue Bonds. Check with your nearest Cal-Vet office for availability of these funds before you commit to the purchase of a property.

This chart sets forth the current purchase price limitations and the current income limitations in various areas of the state. Only loans made with revenue bond proceeds are subject to these limitations which are set according to guidelines provided by the federal government. Those administering the Cal-Vet loan program have no discretion regarding these limitations.

**AVERAGE AREA PURCHASE PRICE LIMITATIONS – SINGLE FAMILY RESIDENCES  
REVENUE BOND FUNDED LOANS ONLY (Effective 03/01/2002)**

<b>County</b>	<b><u>Non-Targeted Areas</u></b>		<b><u>Targeted Areas</u></b>	
	<b>New Homes</b>	<b>Existing Homes</b>	<b>New Homes</b>	<b>Existing Homes</b>
Alameda	\$436,275	\$323,524	\$533,225	\$395,418
Alpine	\$169,109	\$157,254	\$206,689	\$192,200
Amador	\$169,109	\$148,106	\$206,689	\$181,018
Butte	\$198,540	\$128,327	\$242,660	\$156,845
Calaveras	\$169,109	\$143,915	\$206,689	\$175,896
Colusa	\$169,109	\$143,915	\$206,689	\$175,896
Contra Costa	\$436,275	\$323,524	\$533,225	\$395,418
Del Norte	\$169,109	\$143,915	\$206,689	\$175,896
El Dorado	\$260,614	\$183,261	\$318,528	\$223,985
Fresno	\$169,109	\$115,277	\$206,689	\$140,894
Glenn	\$169,109	\$143,915	\$206,689	\$175,896
Humboldt	\$169,109	\$143,915	\$206,689	\$175,896
Imperial	\$169,109	\$143,915	\$206,689	\$175,896
Inyo	\$169,109	\$169,502	\$206,689	\$207,170
Kern	\$169,109	\$98,521	\$206,689	\$120,415
Kings	\$169,109	\$143,915	\$206,689	\$175,896
Lake	\$169,109	\$143,915	\$206,689	\$175,896
Lassen	\$169,109	\$143,915	\$206,689	\$175,896
Los Angeles	\$314,223	\$252,968	\$384,051	\$309,183
Madera	\$169,109	\$115,277	\$206,689	\$140,894
Marin	\$537,793	\$554,104	\$657,303	\$677,238
Mariposa	\$169,109	\$143,915	\$206,689	\$175,896
Mendocino	\$169,109	\$198,830	\$206,689	\$243,014
Merced	\$178,999	\$143,915	\$218,777	\$175,896
Modoc	\$169,109	\$143,915	\$206,689	\$175,896
Mono	\$169,109	\$143,915	\$206,689	\$175,896
Monterey	\$341,216	\$342,417	\$417,042	\$418,509
Napa	\$317,648	\$224,704	\$388,236	\$274,638
Nevada	\$252,957	\$251,421	\$309,169	\$307,293
Orange	\$446,668	\$300,568	\$545,928	\$367,360
Placer	\$260,614	\$183,261	\$318,528	\$223,985
Plumas	\$169,109	\$143,915	\$206,689	\$175,896
Riverside	\$230,990	\$160,249	\$282,322	\$195,859
Sacramento	\$260,614	\$183,261	\$318,528	\$223,985
San Benito	\$391,433	\$327,240	\$478,418	\$399,960
San Bernardino	\$230,990	\$160,249	\$282,322	\$195,859
San Diego	\$359,927	\$274,714	\$439,911	\$335,762
San Francisco	\$537,793	\$554,104	\$657,303	\$677,238
San Joaquin	\$246,623	\$158,069	\$301,429	\$193,195
San Luis Obispo	\$282,740	\$270,671	\$345,571	\$330,821
San Mateo	\$537,793	\$554,104	\$657,303	\$677,238
Santa Barbara	\$251,972	\$270,970	\$307,966	\$331,186
Santa Clara	\$564,559	\$448,389	\$690,017	\$548,031
Santa Cruz	\$486,338	\$412,537	\$594,413	\$504,211
Shasta	\$169,109	\$118,372	\$206,689	\$144,676
Sierra	\$169,109	\$143,915	\$206,689	\$175,896
Siskiyou	\$169,109	\$143,915	\$206,689	\$175,896
Solano	\$317,648	\$224,704	\$388,236	\$274,638
Sonoma	\$355,432	\$302,551	\$434,416	\$369,785
Stanislaus	\$209,416	\$145,212	\$255,952	\$177,482
Sutter	\$169,109	\$143,915	\$206,689	\$175,896
Tehama	\$169,109	\$143,915	\$206,689	\$175,896
Trinity	\$169,109	\$143,915	\$206,689	\$175,896
Tulare	\$169,109	\$95,741	\$206,689	\$117,017
Tuolumne	\$170,114	\$155,014	\$207,917	\$189,462
Ventura	\$378,135	\$261,779	\$462,165	\$319,952
Yolo	\$214,255	\$198,429	\$261,867	\$242,525
Yuba	\$169,109	\$143,915	\$206,689	\$175,896

**FAMILY INCOME LIMITATIONS**

<b>County</b>	<b><u>NON-TARGETED</u></b>		<b><u>TARGETED</u></b>			<b><u>NON-TARGETED</u></b>		<b><u>TARGETED</u></b>	
	<b>1 &amp; 2 Person</b>	<b>3+ Person</b>	<b>1 &amp; 2 Person</b>	<b>3+ Person</b>		<b>1 &amp; 2 Person</b>	<b>3+ Person</b>	<b>1 &amp; 2 Person</b>	<b>3+ Person</b>
Alameda County	\$74,500	\$85,675	\$89,400	\$104,300	San Mateo	\$101,800	\$117,070	\$122,160	\$142,520
Contra Costa County	\$74,500	\$85,675	\$89,400	\$104,300	Santa Clara	\$96,000	\$110,400	\$115,200	\$134,400
Los Angeles County	\$66,120	\$77,140	\$72,960	\$85,120	Santa Cruz	\$69,000	\$79,350	\$82,800	\$96,600
Marin County	\$101,800	\$117,070	\$122,160	\$142,520	Sonoma	\$63,400	\$72,910	\$76,080	\$88,760
Orange County	\$75,600	\$86,940	\$90,720	\$105,840	Ventura	\$74,700	\$85,905	\$89,640	\$104,580
San Benito	\$60,900	\$70,035	\$73,080	\$85,260	ALL OTHER COUNTIES				
San Francisco	\$101,800	\$117,070	\$122,160	\$142,520		\$60,800	\$69,920	\$72,960	\$85,120

**CALIFORNIA DEPARTMENT OF VETERANS AFFAIRS**  
**Farm and Home Purchases Division**

**SPECIAL NOTICE REGARDING YOUR CAL-VET LOAN APPLICATION**

Cal-Vet loans are funded with proceeds from the sales of both state and federal tax-exempt bonds, at no cost to California taxpayers. Since we finance the program with these bonds, both state and federal laws govern the Cal-Vet loan program.

Except in certain limited circumstances, Cal-Vet is prohibited from refinancing existing loans on real property. Internal Revenue Service regulations prohibit refinancing except for "construction period loans, bridge loans, or similar temporary initial financing." The regulations define temporary initial financing as "any financing which has a term of twenty-four months or less." The 24 months commences with the date stated on the note and deed of trust and ends with the date the loan is due and payable in full. There must be no provisions for extension or renewal. A construction loan should have as short a term as possible which is reasonably consistent with the anticipated construction period, and should not be converted to an interim loan with a term in excess of 24 months.

📧 **YOU MUST FILE YOUR CAL-VET LOAN APPLICATION BEFORE OBTAINING AN INTEREST OF RECORD IN THE PROPERTY YOU WISH TO PURCHASE WITH CAL-VET FUNDS.**

📧 **IF YOU INTEND TO OBTAIN TEMPORARY FINANCING, SHOW THIS NOTICE TO YOUR LENDER TO ASSURE THAT YOUR LOAN COMPLIES WITH ALL STATE AND FEDERAL REGULATIONS.**

**Cal-Vet cannot and will not refinance an existing loan which does not comply with these regulations.**

**INFORMATION**

The California Information Practices Act of 1977 requires that all applicants be informed of the purposes and uses to be made of information solicited. The following is furnished to explain the reasons why information is requested and the general uses to which that information may be put.

**AUTHORITY:** The California Department of Veterans Affairs is authorized to request information under the authority of the Military and Veterans Code of the State of California, particularly Section 987.56.

**PURPOSE:** The information requested is considered relevant and necessary to determine entitlement to and qualification for the benefit for which you are applying.

**USES:** The information will be used in your best interest in determining eligibility for the maximum benefits allowable by law. There is no presently known or foreseeable interagency or intergovernmental transfer which may be made of the information. However, the information may be transferred to a governmental entity when required by state or federal law, and certain other disclosures or transfers may be made as permitted by Section 1798.24 of the California Civil Code.

**EFFECTS OF NOT PROVIDING INFORMATION:** Disclosure of the information is voluntary. No penalty will be imposed for failure to respond. However, your qualifications for the benefit requested must then be made on the basis of the available evidence of record. This may result in a delay in the processing of the application, receipt of less than the maximum benefit, or deferral or complete disallowance of your loan request. Failure to provide information in connection with the benefit currently being sought will have no detrimental effect on any other benefit to which you are entitled.

**RIGHT OF REVIEW:** Individuals have the right of access to records containing personal information on them at all times during regular office hours of the department.

**DEPARTMENT OFFICIAL RESPONSIBLE FOR INFORMATION MAINTENANCE:** District Office Manager



The California Department of Veterans Affairs currently has offices in the following locations. It is suggested that you call the nearest office to confirm office hours before visiting. Any of our offices will be pleased to answer your questions and provide loan application materials.

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**Fresno:**                   **559.445.5466**  
1752 E. Bullard Ave., Suite 101  
Fresno, CA 93710

**Bakersfield:**           **661.883.4720**  
5500 Ming Avenue, Suite 155  
Bakersfield, CA 93309

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**Fairfield:**               **707.436.2240**  
370 Chadbourne Road, 2nd Floor  
Fairfield, CA 94534

**Santa Clara:**           **408.277.1282**  
68 North Winchester Boulevard  
Santa Clara, CA 95050

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**Sacramento:**          **916.503.8359**  
1227 O Street, Suite 402  
Sacramento, CA 95814

**Redding:**               **530.224.4955**  
930 Executive Way, Suite 125  
Redding, CA 96002

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**San Diego:**            **619.641.5840**  
3160 Camino del Rio South, Ste. 112  
San Diego, CA 92108

**Riverside:**            **909.774.0102**  
1770 Iowa Avenue, Suite 260  
Riverside, CA 92507

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**West Covina:**          **800.700.2127**  
343 North Azusa Avenue  
West Covina, CA 91791

**Ventura:**               **805.654.6901**  
1000 South Hill Road, Suite 112  
Ventura, CA 93003

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You may also reach the California Department of Veterans Affairs at:

California Department of Veterans Affairs  
P.O. Box 942895  
Sacramento, CA 94295-0001

Toll Free Information Number:   800.952.5626

Internet Web Site:                [www.cdva.ca.gov](http://www.cdva.ca.gov)

# CAL VET

## HOME LOANS

### Interest Rate / Loan Origination Fee / Funding Fee

I understand that Cal-Vet has multiple interest rates, and that the rate on my loan will be “locked in” at the interest rate in effect for the funding source that I qualify for as of the date my application is received. If the interest rate is reduced during processing and prior to funding of my loan, I will receive the benefit of the reduced rate. I also understand that the Cal-Vet interest rate is a variable rate that can be increased by no more than one half of one percent (0.5%) over the term of the loan. I also understand that a 1% Loan Origination Fee will be charged, and that if my loan amount exceeds 80% of the sales price, I will be charged a funding fee. This funding fee will be charged regardless of whether or not the California Department of Veterans Affairs (CDVA) purchases a guaranty from USDVA or obtains mortgage protection from another source.

I intend to pay these fees as follows:

**Application Fee - \$50** Must be submitted with application.

**Loan Origination Fee of 1%** (of loan amount) to be:

☐

Paid in escrow by me

☐

Paid in escrow by seller\*

**CDVA/USDVA Funding Fee** (see table) to be:

☐

Paid in escrow by me

☐

Paid in escrow by seller\*

☐

Added to my loan (VA Loans only)

Down payment	Funding Fee ►	VA Loan guarantees are currently obtained only on Cal-Vet loans on existing homes where the loan amount does not exceed \$203,000 including the funding fee if financed. The applicant must be eligible for the full VA guaranty entitlement. The funding fee for VA loans is waived for veterans who have a service connected disability of 10% or greater. For veterans who have previously used their VA guaranty entitlement, the funding fee is increased to 3% for subsequent guaranties. Neither of these exceptions apply to Cal-Vet loans using private mortgage protection.
20% or more	N/A	
10% to 19%	1.25%	
5% to 9%	1.5%	
2% to 4%	2%	
This fee is a percentage of the <u>loan amount</u> and will be used by CDVA to purchase a loan guarantee from VA, or if the VA guarantee cannot be obtained, to secure mortgage protection for your loan from a private mortgage insurance provider. <b>This is a one time charge and does not affect your interest rate or monthly payment (unless you choose to finance the VA fee with your loan.)</b>		

**Veteran Applicant:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Seller:** \_\_\_\_\_

**Date:** \_\_\_\_\_

\*Seller must sign if you are indicating above that fees will be paid by the seller.



### **Verification of Borrower(s) Name(s)**

I understand and agree that I will take title as my name is shown below, regardless of the way my name is shown or signed on my loan application. I am aware that all legal documents will carry my name exactly as shown below and understand that I will be required to sign exactly as it is shown below.

\_\_\_\_\_  
Print Name (Veteran)

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name (Spouse)

\_\_\_\_\_  
Signature





## **BORROWER'S AUTHORIZATION**

We hereby give our consent to have Cal-Vet Home Loans, or any credit reporting bureau which it may designate, obtain any and all credit information concerning our employment, checking and/or savings accounts, obligations, and all other credit matters which they may require in connection with our application for a loan and any quality control review of such loan. This form may be reproduced and photocopied and a copy shall be effective as the original which we have signed.

---

Signature of Veteran Applicant

Date

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Signature of Spouse

Date

---

I hereby certify this to be a true and correct copy of the original.

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Cal-Vet Home Loans

Date

**Privacy Act Notice:** This information is to be used by the agency collecting it or it's assignees in determining whether you qualify as a prospective mortgagor under its program. It will not be disclosed outside the agency except as required and permitted by law. You do not have to provide this information, but if you do not, your application for approval as a prospective borrower may be delayed or rejected. The information requested in this form is authorized by Title 38, USC, Chapter 37.



**THE HOUSING FINANCIAL DISCRIMINATION ACT OF 1977**  
(Pursuant to Title 21, California Code of Regulations, Section 7114)

**FAIR LENDING NOTICE**

It is illegal to discriminate in the provision of or in the availability of financial assistance because of the consideration of:

1. Trends, characteristics or conditions in the neighborhood or geographic area surrounding a housing accommodation, unless the financial institution can demonstrate in the particular case that such consideration is required to avoid an unsafe and unsound business practice; or
2. Race, color, religion, sex, marital status, national origin or ancestry.

It is illegal to consider the racial, ethnic, religious or national origin composition of a neighborhood or geographic area surrounding a housing accommodation or whether or not such composition is undergoing change, or is expected to undergo change, in appraising a housing accommodation or in determining whether or not, or under what terms and conditions, to provide financial assistance.

These provisions govern financial assistance for the purpose of the purchase, construction, rehabilitation or refinancing of one-to four-unit family residences occupied by the owner and for the purpose of the home improvement of any one-to four-unit family residence.

If you have questions about your rights, or if you wish to file a complaint, contact the management of this financial institution or the:

Office of the Secretary  
Business, Transportation and Housing Agency  
1120 N Street  
Sacramento, CA 95814

Acknowledgment of receipt

I (we) received a copy of this notice.

\_\_\_\_\_  
Signature of Veteran Applicant

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Spouse

\_\_\_\_\_  
Date

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**WORD OF CAUTION**

The processing of your home loan is a detailed process and requires accurate information. Please keep in mind that this process may take longer than expected and requires final updating prior to the funding of your loan. Because of these last minute updates, it is imperative that the information you give us, and subsequently verified by our office, does not change appreciably. Therefore, please continue to make your mortgage payments and all other financial obligations as usual until the close of escrow.

**Please notify us before you do any of the following, or please delay doing the following if at all possible:**

- 1) Change employment or department.
- 2) Move any funds from one bank account to another or close an existing account.
- 3) Make any large purchases such as an automobile, furniture, or high cost items.

All of the above situations might be dealt with appropriately if we know about the changes prior to their occurrence. Failure to notify us about any significant changes to your original loan file, or any material fact regarding your financial condition could seriously effect the outcome of your loan transaction. **YOUR LOAN FILE MAY BE UPDATED PRIOR TO THE CLOSE OF ESCROW!**

\_\_\_\_\_  
Signature of Veteran Applicant

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Spouse

\_\_\_\_\_  
Date



## BUYERS INFORMATION FORM

Please Complete

1. Veteran's birthday \_\_\_\_\_ Spouse's birthday \_\_\_\_\_ Date Married \_\_\_\_\_.

2. Have you had a Cal-Vet loan before? Yes \_\_\_\_\_ No \_\_\_\_\_.

Have you had a VA loan before? Yes \_\_\_\_\_ No \_\_\_\_\_.

If yes to either of the above, please complete the following:

Loan number \_\_\_\_\_.

Date loan was paid off \_\_\_\_\_.

Location of property \_\_\_\_\_.

3. Are you buying a new home that has never been previously occupied? Yes \_\_\_\_\_ No \_\_\_\_\_.

If not already completed, when is the estimated completion date? \_\_\_\_\_.

4. Is the property you are purchasing a Condominium or is it in a Planned Unit Development (PUD)?  
If YES, circle Condo or PUD No \_\_\_\_\_.

If yes, how much are the monthly dues and what is the name of the Association?

Association Name \_\_\_\_\_ \$ \_\_\_\_\_ per mo.

If yes, is the hazard insurance on the unit a master policy carried through the Association?

Yes \_\_\_\_\_ No \_\_\_\_\_.

5. Is this loan to purchase a mobile home in a rental park? Yes \_\_\_\_\_ No \_\_\_\_\_.

If yes, what is the monthly space rental? \$ \_\_\_\_\_

6. Are you currently in receipt of or eligible to receive VA Compensation?

Yes \_\_\_\_\_ No \_\_\_\_\_. If yes, VA Case # \_\_\_\_\_.

7. In order to gain access to the home you are buying the appraiser should contact:

\_\_\_\_\_ at phone # (\_\_\_\_) \_\_\_\_\_.

**CALIFORNIA DEPARTMENT OF VETERANS AFFAIRS**  
Division of Farm and Home Purchases

**DESIGNATION OF AGENT  
AND  
GENERAL RELEASE**

I hereby appoint and designate \_\_\_\_\_ as my agent for all purposes in connection with the processing of my application for a Cal-Vet Loan to include, but not be limited to, working with the district office, the division, and the department to provide and obtain any and all information necessary to complete the processing of my loan and the purchase of my farm or home.

I understand that if the person or firm designated by me is licensed as a real estate agent or broker, they may be the agent or broker for the seller of the property. I also understand that the department assumes no responsibility for and makes no recommendations as to the acts, conduct, duties, qualifications, or status of the person or firm I have so designated. Nevertheless, I so designate said person or firm freely and voluntarily, on my own accord, with full knowledge of all necessary facts.

I authorize the department to obtain from and disclose or release to my designated agent any and all information, whether confidential, personal, or otherwise, which may be desirable or necessary in the processing and completion of my Cal-Vet loan, and this authorization and consent shall be effective from the date hereof to the date my Cal-Vet Loan is completed or made or is otherwise terminated. I understand that all communications and contacts concerning my Cal-Vet Loan processing will be made through or with my designated agent, and that it is the agent's responsibility to keep me informed and to provide me with copies of all correspondence and documents.

This authorization and designation may be revoked only by another writing signed by me, and such revocation shall be effective only when received by the department.

IN CONSIDERATION of the department's acceptance of this designation and the terms thereof, the undersigned hereby release the State of California, the Department of Veterans Affairs of the State of California, and their assigns, employees, officers, and successors, from any and all actions, claims, demands, liability, or suits of any kind, arising out of or by reason of this designation, the department's working with the designated agent pursuant hereto, and the obtaining or the disclosure or release of any and all information pursuant to this designation.

The undersigned agree, in further consideration hereof, that this Release shall apply to all unknown and unanticipated claims arising out of said matters, as well as to those now known, if any, and expressly waive the provisions of Section 1542 of the California Civil Code, which reads as follows: "A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."

The undersigned declare that the terms of this designation and release have been read completely by them, and that the terms are fully understood and freely and voluntarily accepted by them.

IN WITNESS WHEREOF, the undersigned have executed this Designation of Agent and General Release

this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
Veteran Applicant

\_\_\_\_\_  
Applicant's Spouse

**ACCEPTANCE BY AGENT**

I hereby accept the above designation as agent, and assume all responsibilities incident thereto

Dated: \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
Signature of Agent

\_\_\_\_\_  
Name of Business

\_\_\_\_\_  
Name of Agent (Type or Print)

\_\_\_\_\_  
Business Address

\_\_\_\_\_  
Telephone Number

\_\_\_\_\_  
City

\_\_\_\_\_  
Zip

# CALIFORNIA DEPARTMENT OF VETERANS AFFAIRS

Division of Farm and Home Purchases

## PURCHASER'S AFFIDAVIT (Cal-Vet Loan Contract)

As an applicant(s) for a Cal-Vet loan, you must read this affidavit carefully, **INCLUDING THE INSTRUCTIONS ON THE REVERSE SIDE**, and complete the affidavit (print in ink or type) and sign it under penalty of perjury. By doing so, you certify and declare that all statements in it are true. (See instructions on reverse)

I (We) CERTIFY AND DECLARE THAT:

1. The home being purchased is intended for use as my (our) principal residence and will be occupied as such within 60 days after the Cal-Vet loan is funded and will be maintained as my (our) principal residence for the duration of the Cal-Vet contract. I (We) do not intend to and have not entered into any agreement to rent or sell the home.
2. I (We) will not allow the Cal-Vet loan to be assumed by someone else without the prior written consent of the California Department of Veterans Affairs.
3. I (We) will not use the home in a business or trade or for any other commercial purpose, or as an investment property.
4. I (We) will not use the home as a recreational property, or as a vacation or "weekend" home.
5. I (We) do not have and have not had previous financing for the house, whether paid in full or not, except for a construction loan or other temporary interim financing with a term of 24 months or less.
6. I (We) have not made and will not make an agreement to purchase the department's bonds, directly or indirectly, in an amount related to the amount of the Cal-Vet loan.
7. The land being purchased with the home is required to maintain the basic livability of the residence, and will not provide a source of income.
8. The home is ☐ is not ☐ permanently attached to the lot.
9. I (We) ☐ have ☐ have not had an ownership interest in a home used as my (our) principal residence during the three years immediately prior to the closing of the Cal-Vet loan.
10. I (We) ☐ have filed ☐ have not filed and were not required to file federal income tax returns for the three years preceding the loan.
11. Borrower's name \_\_\_\_\_ Spouse's name \_\_\_\_\_
12. The number of full time members of the household who will reside in the property, including all children anticipated to reside in the residence at least 50% of the time, and including any live-in attendants is \_\_\_\_\_.
13. The home to be financed is located at \_\_\_\_\_
14. The "acquisition cost" of the home is \$ \_\_\_\_\_
15. My (our) "annualized gross income" is \$ \_\_\_\_\_

*I (we) hereby certify and declare under penalty of perjury under the laws of the United States and the State of California that the foregoing is true and correct.*

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, in the City of \_\_\_\_\_,  
County of \_\_\_\_\_, State of California.

Signed: \_\_\_\_\_  
Loan Applicant

Signed: \_\_\_\_\_  
Applicant's Spouse

**PURCHASER'S AFFIDAVIT**  
**(Cal-Vet Loan Contract)**  
**Instructions**

- #9. The term "*present ownership interest*" includes, in addition to outright ownership, the following types of interests:
- A joint tenancy, tenancy in common, tenancy by the entirety, or community property interest.
  - The interest of a tenant-shareholder in a stock cooperative or similar interest.
  - A Life Estate
  - An interest under an installment land contract granting current possession of the house with legal title to follow at a later date.
  - Any of the above interests, including outright ownership, held in trust for you.
- #10 *Present ownership interest* **does not** include the following types of interest:
- A remainder interest (an interest you would have only upon termination of an interest granted by someone else to another person).
  - A lease without and option to purchase
  - A mere expectancy to inherit an interest.
  - An interest created as the purchaser in a marketing contract (any interest you might acquire upon the signing of a real estate deposit receipt or similar contract, where you have not completed the purchase).
  - An interest in any property not used as your personal residence during the previous three years.
- #12 This information is necessary to determine if you qualify under the small family income limits or the higher large family income limits. For this purpose, the number of "*full time members of the household who will reside in the property*" is not the same as the number of dependents for income tax purposes, and may include individuals who will reside in the home and may have separate incomes that cannot be included as qualifying income, and do not have to be included in "*annualized gross income*". "*Full time members of the household*" includes the following:
- All adults who will reside in the home.
  - Children, including children expected to be born to pregnant women, children in the process of being adopted, children whose custody is being obtained by an adult member of the household, children subject to a joint custody agreement who will live in the home at least 50% of the time, and children who are temporarily absent due to a custody order.
  - Live-in attendants
- "*Full time members of the household*" does not include the following:
- Adult children on active military duty
  - Permanently institutionalized family members
  - Visitors
- #14 "*Acquisition Cost*" includes the following costs:
- All amounts paid in cash or in any other way as the purchase price of the house.
  - If the house is incomplete, the reasonable cost of completing the house.
  - Any additional amounts paid for fixtures (items permanently affixed to the house), including light fixtures and wall to wall carpeting.
- "*Acquisition Cost*" does not include the following costs:
- Settlement costs such as title and transfer costs, title insurance premiums, and survey fees.
  - Financing costs such as credit report fees, legal fees, appraisal expenses, and funding fees.
  - The cost of the lot upon which you are building your home if you have owned the lot for at least two years prior to the start of construction.
  - The amount of any lien or assessment to which the home is subject.
- #15 "*Annualized gross income*" is the gross monthly income multiplied by 12, of those individuals who will both reside in the property and be liable on the loan. It includes:
- Gross pay, overtime pay, bonuses, military allowances and income from part-time employment.
  - Pension checks and US Department of Veterans Affairs compensation.
  - Dividends, interest, net rental income, and any additional income from business activities or investments.
  - Other income such as alimony, child support, public assistance, sick pay, social security benefits, unemployment compensation, and income from trusts.

CALIFORNIA DEPARTMENT OF VETERANS AFFAIRS  
Division of Farm and Home Purchases

**SELLER'S AFFIDAVIT  
(Cal-Vet Loan Contract)**

*The purpose of this affidavit is to determine the acquisition cost of the house being purchased with Cal-Vet financing. Please read this affidavit carefully, including the INSTRUCTIONS FOR SELLER'S AFFIDAVIT printed on the reverse side. Fill in (print in ink or type) the appropriate section of this affidavit (I, 2., or 3). Sign the affidavit under penalty of perjury. By doing so, you certify and declare that all the statements in it are true.*

**YOU CERTIFY AND DECLARE THAT:**

(check appropriate box)

☐

1. A. **You are the seller(s) of the house located at** \_\_\_\_\_, which is being purchased with Cal-Vet financing. Address

B. You are selling the house to \_\_\_\_\_ and \_\_\_\_\_  
Loan Applicant  
Applicant's Spouse

C. The total "acquisition cost" of the house is \$ \_\_\_\_\_. (See Instructions)

☐

2. A. **You are the construction / interim lender for the house located at** \_\_\_\_\_, which is being purchased with Cal-Vet financing. Address

B. You have lent interim funds to purchase the above house to \_\_\_\_\_ and \_\_\_\_\_  
Loan Applicant  
Applicant's Spouse

C. The total "acquisition cost" of the house is \$ \_\_\_\_\_. (See Instructions)

☐

3. A. **You are the Loan Applicant (and spouse).** I (We), \_\_\_\_\_, \_\_\_\_\_, own the land located at \_\_\_\_\_, \_\_\_\_\_, on which I (we) are building the house which is to be purchased with Cal-Vet financing upon completion.  
Loan Applicant  
Applicant's Spouse  
Address  
Address

B. The total "acquisition cost" of the house is \$ \_\_\_\_\_. (See Instructions)

*I (we) hereby certify and declare under penalty of perjury under the laws of the United States and the State of California that the foregoing is true and correct.*

Executed this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, in the City of \_\_\_\_\_,  
County of \_\_\_\_\_, State of California.

Signed: \_\_\_\_\_  
Seller's Name  
Title (if applicable)

Signed: \_\_\_\_\_  
Seller's Name  
Title (if applicable)  
Name of Company (if applicable)

## INSTRUCTIONS FOR SELLER'S AFFIDAVIT

1. **Decide which situation best describes our role in this transaction. Check the appropriate box (either 1, 2, or 3). Fill in the blanks for your situation only.**
2. **You need to calculate and state the "acquisition cost" of the house being sold to the loan applicant or being built by the loan applicant.**

*"Acquisition cost" includes the following types of costs:*

- a. All amounts paid, in cash or in any other way, as the purchase price of the house.
- b. If the house is incomplete, "acquisition cost" also includes the reasonable cost of completing the house.
- c. An additional amounts paid for fixtures, such as light fixtures, curtain rods, wall-to-wall carpeting and similar items.

*"Acquisition cost" does not include these types of costs:*

- a. Settlement costs, such as title and transfer costs, title insurance premiums, and survey fees.
- b. Financing costs, such as credit reference fees, legal fees, appraisal expenses and 'points' which are paid by the loan applicant.
- c. The value of work done by the loan applicant and family in completing the house.
- d. The cost of the lot upon which the loan applicant is building your house, if the loan applicant and/or spouse owned the lot for at least two years before construction.

3. **Sign the affidavit under penalty of perjury.**